Franklin County Policies and Definitions	**Subject:** Managing for Results Policy Guidelines Issue Date: 04/03
	Title: Policy Guidelines for Adding or Deleting a Program, Line of Business (LOB), Fund and Org
Revised:	**Initiating Department:** Office of Management and Budget

A. Purpose

To set forth guidelines for adding or deleting lines of business and programs to the strategic business plans and adding or deleting funds and orgs to MUNIS and BRASS. Franklin County's MFR Initiative provides for developing and maintaining a more responsive and accountable government for its citizens.

B. Definitions

1. **Line of Business (LOB):** A set of programs that have related objectives and results.

2. **Program:** A set of services grouped together to meet a common result for the customer.

3. **Fund:** A fiscal entity with revenues and expenses that are segregated for the purpose of governmental accounting requirements.

4. **Org:** A fiscal entity within a fund that represents a unique fund, agency, program and location combination.

C. Policy Guidelines

1. **General Guidelines for Adding or Deleting a Program or Line of Business (LOB)**
    a. Submit revised Strategic Business Plan (SBP) to the Office of Management and Budget
        i.   A request to add/delete a program or LOB will be considered _outside_ the annual SBP revision process _only_ if new services are added _or_ services are eliminated.
        ii. Requests to combine or split programs mid-year are discouraged.
    b. Office of Management and Budget (OMB) analyzes request in detail, paying close attention to changes in lines of business, program descriptions, primary performance measures and impact on results.
    c. OMB returns recommendation for approval and/or proposed action to the agency.
        i.   If addition/deletion is recommended, OMB provides agency with information (the new LOB or program code) needed for a resolution request.
        ii. If addition/deletion is not recommended, OMB provides agency details of proposed action.
    d. Agency responds to recommendation
        i.   If OMB recommended addition/deletion, agency finalizes resolution information and submits a resolution request according to the "Policy Guidelines for Requesting Budget Adjustments and/or Fund Transfers"
            a. If an additional fund needs established, refer to item #2, "General Guidelines for Adding or Deleting a Fund," below.
            b. If an additional org needs established, refer to item #3, "General Guidelines for Adding or Deleting an Org," below.
        ii. If OMB does not recommend addition/deletion and agency agrees with the proposed action, agency does not respond.
        iii. If OMB does not recommend addition/deletion and agency disagrees with the proposed action, agency may proceed with a resolution request according to the "Policy Guidelines for Requesting Budget Adjustments and/or Fund Transfers".
    e. OMB saves updated strategic business plan as final.

2. **General Guidelines for Adding or Deleting a Fund**
   a. To add a fund, agency submits a "Request for Fund Approval" form to the Auditor's Office and copies OMB (this form can be found at (www.co.franklin.oh.us/commissioners/omb/policies/fundapp.doc) or can be obtained from the Auditor's Office).
      i. Separate funds are justified when:
         a. They will provide management with relevant financial information which is not obtainable using the current fund structure, or
         b. Necessary to demonstrate compliance with legal or contractual restrictions.
      ii. In circumstances where the desired information can be obtained by creating additional orgs within an existing fund, the creation of a separate fund is generally considered unnecessary.
   b. To delete a fund, agency submits a request to the Auditor's Office and copies OMB.
   c. Auditor's Office notifies agency and OMB of added or deleted funds.
   d. Auditor's Office updates MUNIS structure.
   e. BRASS Administrator updates BRASS structure.

3. **General Guidelines for Adding or Deleting an Org** (necessary if there are additions/deletions in lines of business, programs, funds, or locations)

   a. Agency submits request to add or delete an org to OMB.
      i. Request should include LOB, program, fund and location, and
      ii. Explanation for addition or deletion.
   b. OMB notifies the Auditor's Office of added or deleted orgs.
   c. Auditor's Office updates MUNIS structure.
   d. OMB notifies Agency of action taken.
   e. OMB analyst updates final chart of accounts and submits to BRASS Administrator.
   f. BRASS Administrator updates BRASS structure.

D. Review Guidelines for Agencies to Determine if Adding or Deleting a Program or Line of Business is Necessary

Background
The basis for establishing your agency's chart of accounts in BRASS (the budgeting system) and MUNIS (the accounting system) is your agency's organizational structure. The organizational structure is made up of orgs, funds, programs and lines of business (LOB).

If the organizational structure is not organized in a manner that is reflective of the agency's mission, it is likely that the programs and lines of business need to be altered.

The purpose of reviewing the structure of your plan is to insure that your Department/Agency is organized to achieve both strategic and operational results. A sound plan structure will align the strategic part of your plan--mission and strategic results--with the operational part of your plan--lines of business, programs, and services. Such an alignment will help you identify the resources needed to cost-effectively accomplish results for your customers.

<u>Review Procedures</u>
1. **Review your current organizational structure by considering the key criteria:**
   a. Is the structure currently organized into the <u>lines of business</u> and <u>programs</u> that will maximize your ability to monitor how well you are accomplishing your mission? If not, consider reorganizing.
   b. Are you currently defining programs that are no longer relevant to your mission? If so, consider eliminating these programs.
   c. Do you need new lines of business and/or programs to more fully monitor your operations?

2. **Based upon your answers to the above questions:**

   a. Review the list of services that comprise the program or the list of programs that make up the line of business.
   b. Review the program purpose statement(s) or the line of business purpose statement(s).
   c. Answer the following questions:

   - Does **each** service contribute to achieving the purpose of the program or does each program contribute to achieving the purpose of the line of business?
   - For those services/programs that do **not** contribute to achieving the purpose, is another common purpose evident? In other words, does another program/line of business need to be added?
   - Are these services still required/requested/demanded by customers? In other words, should the program be deleted?
   - Do the services that comprise the program contribute to achieving the purpose of a different program? In other words, should the program be dismantled and the services combined with a different program?

3. **Based on the review of your existing structure, discuss, with the Office of Management and Budget analyst(s), your need to update the agency structure to reflect the lines of business and programs needed to accomplish your mission.** OMB (and the Auditor's Office?) will authorize/approve proposed changes.

4. **Update the appropriate sections of your strategic business plan as necessary**:
   a. Organizational Structure
   b. Line of Business Purpose Statement
   c. Line of Business Key Results
   d. Program Purpose Statements
   e. Services that Comprise the Program(s)

5. **Present an updated copy of your strategic business plan to the Office of Management and Budget** (See Policy Guidelines 1a above).

<u>Conclusion</u>
Programs and Lines of Business (LOB) will be added or deleted **only** when:
- The current organizational structure is *not* aligned with the agency's mission and strategic results, **and**
- The agency has reviewed the procedures for adding/deleting programs/lines of business, **and**
- The agency has discussed and reviewed proposed changes with the assigned Office of Management and Budget (OMB) analyst(s), **and**
- Such changes are adopted through approved resolution.

Reminder: The organizational structure is the basis for establishing your agency's chart of accounts in BRASS (the budgeting system) and MUNIS (the accounting system). If the proposed organizational structure is in any way different than the current structure, you must discuss changes with your OMB analyst to insure that the budgeting and accounting systems reflect your most up to date organizational structure.